

AGENDA



Thursday, November 20, 2008

**Contract and Land Management
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 13

Subject: Approve a resolution authorizing the City Manager to negotiate and execute all contracts, closing, relocation and other documents related to the purchase or other acquisition of approximately 275 properties in the Onion Creek Forest/Yarrabee Bend area that the U.S. Army Corps of Engineers (USACE) recommends be acquired in its Final Feasibility and Integrated Environmental Assessment Report for the Onion Creek Forest/Yarrabee Bend floodplain buyout program.

Amount and Source of Funding: Funding in the amount of \$10,000,000 is available in the Fiscal Year 2008 - 2009 Capital Budget of the Watershed Protection and Development Review Department for the buyout program. Funding for future fiscal years is subject to the approval of future capital budgets and Federal approval of future USACE funding. This program will be funded by a combination of City and USACE funding.

Fiscal Note: A fiscal note is attached.

For More Information: Lauraine Rizer 974-7078; Melinda Ruby 530-6634; April Thedford 974-7141

Prior Council Action: June 18, 2008 - Council authorized negotiation of professional services agreement.

The U.S. Army Corps of Engineers (USACE) completed a technical, environmental and economic feasibility study to evaluate flooding conditions and to identify flood hazard mitigation solutions in the Onion Creek watershed. This information is summarized in the USACE's Final Feasibility and Integrated Environmental Assessment Report (Report). Several hundred homes in the watershed were subject to flooding from severe storms in October 1998 and November 2001. The Report recommends the buyout of homes within the 25-year floodplain with ecosystem restoration and recreational facilities development on the residual lands acquired in the Onion Creek watershed for the Onion Creek Forest / Yarrabee Bend area (the Program).

The Program will be funded with future Congressional funding appropriations of up to \$46,000,000 for property buyouts, park facility development and ecosystem restoration. The City's cost share for the project of up to \$28,000,000 for project implementation was approved in the November 2006 bond election.

This request will authorize the City Manager to proceed with the necessary acquisition and relocation activities to acquire by gift or negotiation the necessary property interests for the purchase of all properties located within the Program area provided the following criteria is met:

1. The consideration paid by the City (excluding moving expenses and other relocation benefits) must be commensurate with the property's fair market value based on comparable sales identified in an appraisal of the property.
2. The City must receive marketable title to the property free of all liens.
3. The physical condition of the property must not subject the City to unreasonable risk of liabilities or costs.

4. Payment of relocation benefits and all other aspects of the acquisition must comply with all applicable statutory and regulatory requirements, federal and state grant or contractual requirements, and any other applicable legal requirements.
5. There must be sufficient funds in the City budget for the acquisition.

Periodic progress reports will be provided to Council on the Onion Creek Forest/Yarrabee Bend floodplain buyout.

Authorization to acquire properties through condemnation proceedings is not included in this request.